

Medellin, August 16, 2019

EPM Group announces consolidated financial results as of June 30, 2019

Empresas Públicas de Medellín E.S.P. and subsidiaries (hereinafter, "EPM Group") is the holding company of a multi-Latin enterprise group formed by 47 companies and one structured entity¹, that have presence in the provision of public utilities in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama. Its corporate purpose is the provision of public utilities, mainly in power generation, power transmission and power distribution, gas, water supply, cleaning and waste management business lines.

The figures presented for this quarter are expressed in Colombian Pesos, according to the International Financial Reporting Standards (IFRS). The consolidation process implies inclusion of 100% of the companies where EPM has control. Figures for this period are not audited.

CONSOLIDATION SCOPE



¹ Autonomous Patrimony Social Financing. Under International Financing Reporting Standards (IFRS), it is considered a structured entity that forms part of the consolidation perimeter of the financial statements of the EPM Group.

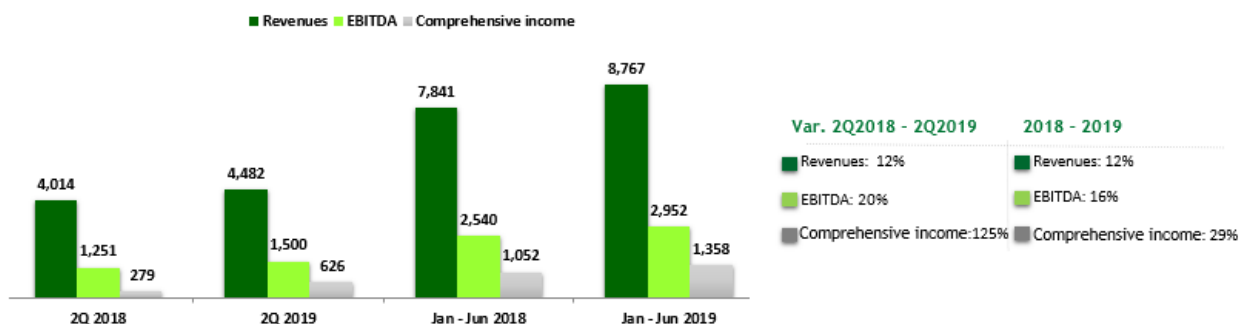
1. RELEVANT FACTS OF THE QUARTER AND SUBSEQUENT TO THE CLOSING

- On July 11th, EPM placed bonds on the international capital market equivalent to USD 1,382 million, in a combination of US Dollars and Colombian Pesos. The placement allowed EPM to optimize the portfolio of the current debt, without increasing the debt balance. The average life of the debt portfolio was increased in 1,8 years, while the most relevant debt maturities of the period 2020-2022 were relocated to 2027 and 2029.
- The Ituango hydroelectric project meets two relevant milestones: the completion of the final height of the dam, reaching 435 m.a.s.l. on July 19th and the activation of the return plan for the evacuated families, after the modification of the red alert to the orange alert by the National Risk and Disaster Management System (SNGRD), on July 26th.
- Within the scope of the program for the disposal of the shares that EPM owns in ISA, 14,881,134 shares were granted in the First Stage at a price of \$15,700 per share. The Second Stage of the sales process began on July 29.
- In June, EPM began the disposal process of the shares that owns in GASORIENTE, with the publication of the Notice of Offer of the First Stage.

2. FINANCIAL RESULTS AS OF JUNE 30, 2019

EPM Group presented the following financial performance compared to the same period of the previous year:

2.1 INCOME STATEMENT



Figures in COP thousand million

As of June 30, 2018, consolidated **revenue totaled COP 8.8 billion** with an 12% increase (COP 927 thousand million) with respect to same period of last year, which is mostly explained on: i) in the EPM Parent Company in the power Generation business higher energy stock prices, Automatic Generation Control (AGC) services, and long-term sales, because of El Niño phenomenon, and greater commercialization, nets, and leases in the power Distribution business, and ii) in Ensa, Panama, higher sales in the regulated market because of largest number of customers, and increased tariffs due to higher prices linked to oil prices.

EPM Parent Company showed higher revenues for COP 252 thousand million, International subsidiaries as a whole showed growth for COP 647 thousand million, and the Colombian power subsidiaries whose revenues rose COP 109 thousand million.

Operating Margin as of June 2019 was 26%, compared to 24% obtained the previous year.

EBITDA totaled COP 2.95 billion, increasing by COP 413 thousand million, 16% in relation to previous year.

EBITDA Margin was 34%, compared to 23% obtained the previous year.

The comprehensive income for the period was COP 1.36 billion, showing an increase of COP 305 thousand million, 29% in relation to previous year.

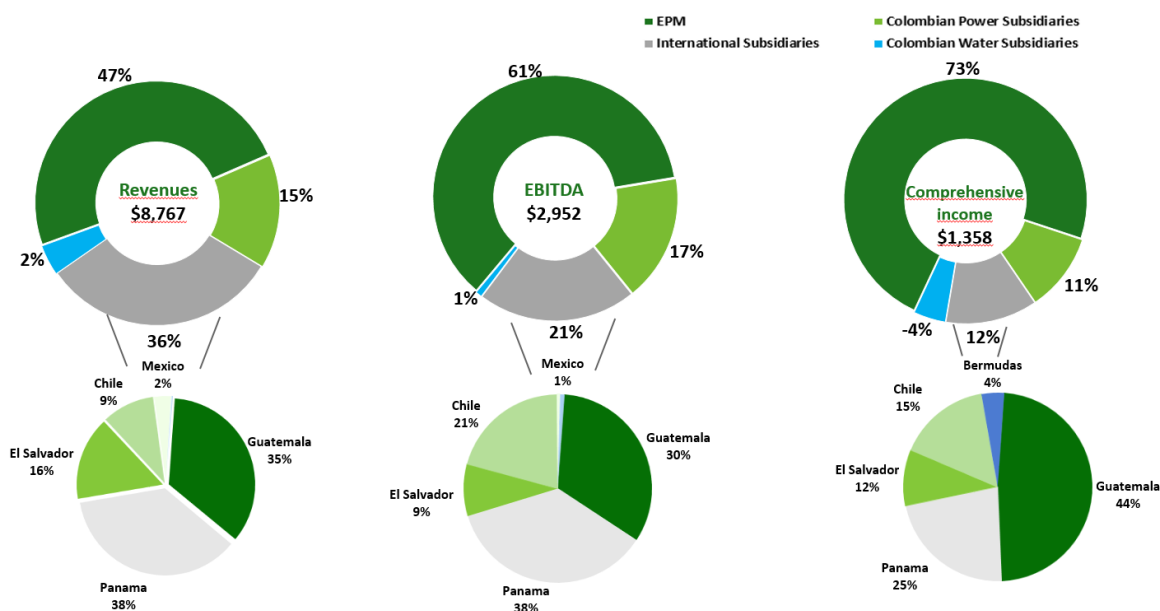
Net margin was 15%, compared to 13% obtained the previous year.

Concept	2018	2019	% Var.	2019 USD*
Net Revenues	7,840,522	8,767,075	12	2,735
Costs and administrative expenses	5,957,003	6,461,772	8	2,016
Exchange differences	(34,889)	116,492	(434)	36
Financial results, net	(377,465)	(456,172)	21	(142)
Investment results, net	84,822	54,862	(35)	17
Profit before taxes	1,555,987	2,020,485	30	630
Income tax provision	533,464	620,170	16	193
Regulatory accounts, net	29,733	(42,630)	N.A.	(13)
Comprehensive Income for the period	1,052,256	1,357,684	29	424
Other Comprehensive Income	(78,000)	396,039	(608)	124
Total Comprehensive Income for the year	974,256	1,753,724	80	547
Minority Interest	84,447	102,440	21	32
Total Comprehensive Income for the year attributable to owners of the company	889,809	1,651,284	86	515

Figures in COP million

*Figures in COP were converted to USD at an exchange rate of COP/USD 3,205.67 (June 30,2019).

2.2 FINANCIAL RESULTS BY COLOMBIAN AND INTERNATIONAL SUBSIDIARIES



Figures in COP thousand million

The percentages do not include the Other Segment and Eliminations.

Of the Group's total revenue, it is important to underscore the fact that Colombia accounts for 64% and foreign subsidiaries for 36%.

EPM Parent Company accounted for 47% with a COP 252 thousand million (6%) increase, explained by the segments of:

i) The **Power Generation** by COP 84 thousand million, due higher energy stock prices, AGC services, and long-term sales, because of El Niño phenomenon.

ii) The **Power Distribution** by COP 162 thousand million, mainly due to higher commercialization, networks, and leases.

iii) The **Water Business** by COP 68 thousand million, due to higher consumption (more customers), and higher tariffs.

International subsidiaries in turn, accounted for 36% of revenue with net increase of COP 647 thousand million, 24% up on same period of 2018, with the following subsidiaries' growth standing out: **Ensa in Panama** with COP 296 thousand million due to an increase in the number of customers, units sold and the sale price, **EEGSA in Guatemala** with COP 154 thousand million linked to higher sales (+42 GWh), **DelSur in El Salvador** with COP 106 thousand million, due to greater residential and industrial consumption and the tariff increase caused by higher oil prices, and **Ticsa in México** with COP 31 thousand million, due to greater execution in works at the San Fernando Plant and Valle San Nicolás project in Colombia and Mexicali project in Mexico.

On the other hand, the **Colombian power subsidiaries** accounted for 15%, with 8% increase, with the following subsidiaries standing out: **ESSA** with a COP 45 thousand million increase, due to higher tariff and quantity of energy sold (+39 GWh), because of higher residential consumptions, and **CENS** with an increase of COP 31 thousand million, due to higher tariff and quantity of energy sold (+57 GWh).

The remaining 2% comes from the **Water subsidiaries** in Colombia, with 146% increase and where **Aguas Nacionales** stands out with a COP 204 thousand million growth, linked to the operation of the new wastewater treatment plant Aguas Claras.

As to **EBITDA**, the Group's Colombian companies accounted for 79% and foreign companies for 21%.

EPM Parent Company accounted for 61% of EBITDA with an increase of COP 217 thousand million, with 13% growth compared to previous year, mainly due to the power generation segment contribution for COP 138 thousand million, and the water segment for COP 27 thousand million.

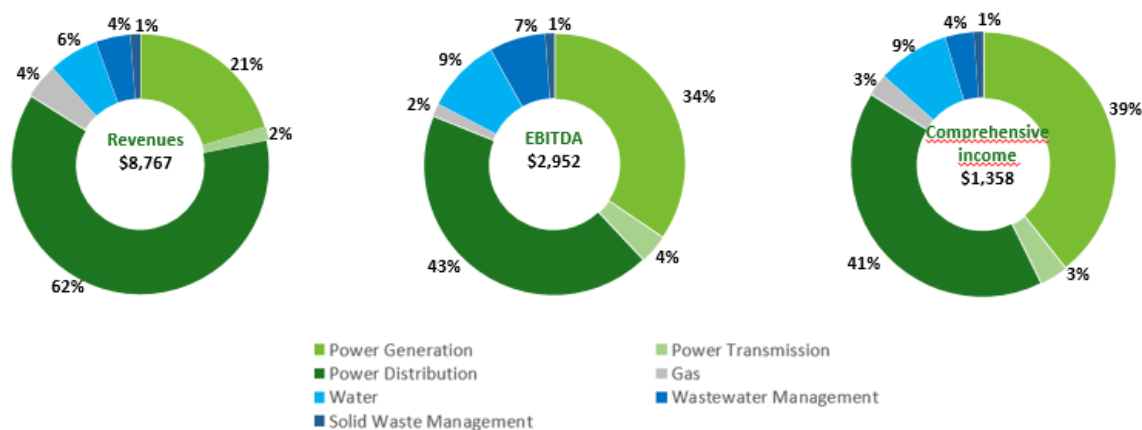
Colombian Power subsidiaries accounted for 17%, with individual growth standing out from the following: **ESSA** with COP 33 thousand million (24%), **CENS** with COP 19 thousand million (31%) and **EDEQ** with COP 4 thousand million (14%).

International subsidiaries accounted for 21% of the Group's EBITDA, increasing 25% compared to previous year.

With respect to net profits, aspects to point out are:

- Increase in revenues for COP 927 thousand million.
- Increase in costs and expenses for COP 505 thousand million.
- Increase in financial expenses for COP 79 thousand million.
- Increase in FX revenues for COP 151 thousand million.
- Increase in income tax provision for COP 87 thousand million.

2.3 FINANCIAL RESULTS BY SEGMENTS



Figures in COP thousand million
The percentages do not include the Other Segment and Eliminations.

Regarding the results by segment:

Energy services accounted for 85% of the Group's revenue, 81% of EBITDA and 83% of net income.

In revenue, the Power Distribution and Power Generation segments stood out with 62% and 21% participation, respectively.

Fuel Gas services contributed 4% of the Group's revenue, 2% of EBITDA and 3% of net income.

Water supply services represented 6% of the Group's revenue, 9% of EBITDA and 9% of the net income.

Waste management services accounted for 4% of the Group's revenue, 7% of EBITDA and 4% of net income.

Solid waste management services accounted for 1% of the Group's revenue, 1% of EBITDA and 1% of net income.

2.4 STATEMENT OF FINANCIAL POSITION

Financial Position	2019	2018	% Var.	2019 USD*
Assets				
Current	8,132,806	7,076,563	15	2,537
No Current	47,308,231	45,412,721	4	14,758
Total assets	55,441,037	52,489,284	6	17,295
Liabilities				-
Current	8,464,485	9,354,125	(10)	2,640
No Current	24,583,884	21,098,939	17	7,669
Total Liabilities	33,048,369	30,453,065	9	10,309
Equity	22,392,668	22,036,219	2	6,985

Figures in COP million

Figures in COP were converted to USD at an exchange rate of COP/USD 3,205.67 (June 30,2019).

Regarding the Balance Sheet:

Equity totaled COP 22.3 billion, increasing 2%, due to higher earnings in the period.

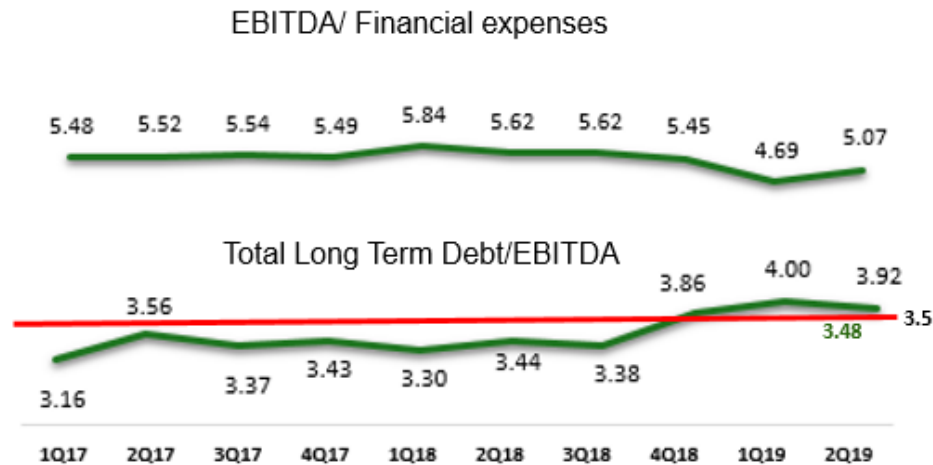
Liabilities rose to COP 33.0 billion, increasing COP 2.6 billion, 9% with respect to the previous year, mainly due to: i) higher financial obligations with: HSBC by COP 1,5 billion, Bancolombia by COP 1 billion, BBVA by COP 300 thousand million and Colpatría by COP 165 thousand million, ii) transfers to Medellín municipality by COP 586 thousand million, and iii) in other financial liabilities by COP 632 thousand million because of financial lease contracts due to NIIF 16 implementation.

The **Group's total assets** rose to COP 55.4 billion, increasing 6% compared to the previous year.

Cash position as of June 30, 2019 was COP 3.16 billion.

Regarding ratios:

Ratios	2018	2019
Total debt	58	60
Financial debt	40	42
EBITDA/financial expenses	5.62	5.07
Total Long Term Debt/EBITDA	3.44	3.92

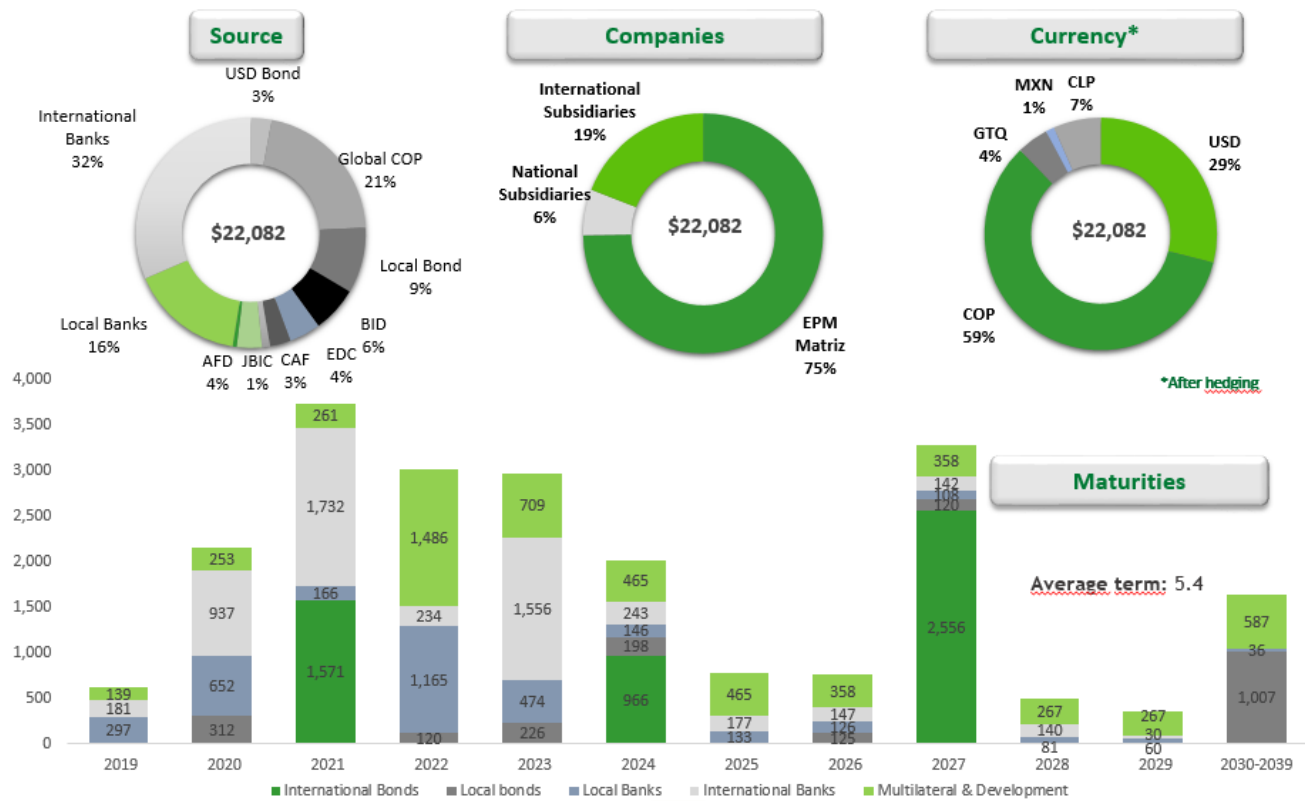


The Group's **Total Debt/Total Assets** was 60%, compared to 58% obtained the previous year.

With regard to **debt** ratios:

- EBITDA/Financial expenses reached 5.07x.
- Total Debt/EBITDA was 3.92x, 0.42x above the goal of 3.50x.
- Net Debt/EBITDA: 3.48x

2.5 DEBT PROFILE



Figures in COP thousand million

The debt of EPM Group totaled COP 22.1 billion. As to financing source, 25% of debt corresponds to domestic debt, 21% to Pesos-denominated foreign debt, and 54% to foreign debt hired in other currencies.

Of EPM Group's total debt 75% belongs to **EPM parent company**.

As to Natural hedging, from inter-company loans granted to international subsidiaries with revenue linked to the US Dollar, EPM has a balance of USD 209 million.

At the quarter's close, accumulated foreign-exchange financial hedges totaled USD 634 million.

As to maturities, **EPM parent company** holds four international bond issues maturing in 2021, 2024, 2027 and 2029. Years 2020, 2021 and 2023 correspond to loans with international banking (EPM's Club Deal loan for USD 235 million, HSBC for USD 500 million and ADASA – loan with Scotia Bank and Banco del Estado for USD 402 million). These values are continuously analyzed taking into account the roll-over alternative in order to adjust to needs and comply with the strategic objectives of EPM Group.

Second Quarter 2019 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the periods from January 1 to June 30, 2019 and 2018
Amounts stated in millions of Colombian pesos

	Notes	June 2019	June 2018	For the three months ended June 30, 2019	For the three months ended June 30, 2018
Continued operations					
Sale of goods	14	8,372	16,874	5,150	9,221
Rendering of services	14	8,567,684	7,618,938	4,369,653	3,875,939
Leases	14	52,066	39,158	25,902	19,619
Other income	15	138,412	163,280	81,436	108,340
Income from ordinary activities		8,766,534	7,838,250	4,482,141	4,013,119
Profit in sale of assets	14	541	2,271	112	673
Total income		8,767,075	7,840,521	4,482,253	4,013,792
Costs for rendering services	16	(5,598,142)	(5,066,996)	(2,835,355)	(2,594,049)
Administration expenses	17	(692,758)	(798,248)	(370,709)	(512,388)
Impairment loss recognised on trade receivables		(27,611)	(8,698)	(19,945)	(17,222)
Other expenses	18	(143,260)	(83,060)	(126,535)	(70,820)
Financial income	19.1	177,436	127,905	92,988	53,371
Financial expenses	19.2	(633,608)	(505,370)	(307,199)	(256,056)
Net exchange difference	20	116,491	(34,889)	41,384	(115,714)
Equity method in associates and joint business		(10,592)	17,967	(36,959)	6,877
Effect by interest in equity investments		65,454	66,855	3,291	(3,392)
Profit before tax		2,020,485	1,555,987	923,214	504,399
Income tax expense	21	(620,170)	(533,464)	(265,550)	(242,764)
Profit of the period after taxes of continued operations		1,400,315	1,022,523	657,664	261,635
Discontinued operations		-	-	-	-
Profit of the period before net movement in balances of deferred regulatory accounts		1,400,315	1,022,523	657,664	261,635
Net movement in balances of net regulatory accounts related to the result of the period		(60,990)	42,538	(45,528)	24,598
Net movement in deferred tax related to deferred regulatory accounts related to the results of the period		18,359	(12,805)	13,731	(7,454)
Profit of the period and net movement in balances of deferred regulatory accounts		1,357,684	1,052,256	625,867	278,779
Other comprehensive income, net of taxes					
Items that will not be reclassified subsequently to the result of the period:					
New measurements of defined benefit plans		732	(3,858)	4,552	(194)
Equity investments measured at fair value through equity		465,420	33,766	213,961	132,865
Income tax related to components that will not be reclassified		328	953	145	2,103
		<u>466,480</u>	<u>30,861</u>	<u>218,658</u>	<u>134,774</u>
Items that may be reclassified subsequently to the result of the period:					
Cash flow hedging		15,454	(10,837)	5,674	(3,227)
Result recognized of the period		(32,456)	(26,702)	17,096	76,445
Reclassification adjustment		47,910	15,865	(11,422)	(79,672)
Exchange differences for conversion of business abroad		(91,036)	(99,022)	(42,305)	74,394
Income tax related to the components that can be reclassified		5,139	1,010	(1,634)	(35,377)
Equity method in associates and joint ventures business		3	2	(2)	(7)
		<u>(70,440)</u>	<u>(108,847)</u>	<u>(38,267)</u>	<u>35,783</u>
Other comprehensive income, net of taxes		396,040	(77,986)	180,391	170,557
Total comprehensive income for the period		1,753,724	974,270	806,258	449,336
Profit for the period attributable to:					
Owners of the company		1,261,794	966,963	580,255	238,076
Non controlling interest		95,890	85,293	45,612	40,703
		<u>1,357,684</u>	<u>1,052,256</u>	<u>625,867</u>	<u>278,779</u>
Total comprehensive income attributable to:					
Controlling interests		1,651,284	857,966	766,149	411,332
Non controlling interests		102,440	116,304	40,109	38,004
		<u>1,753,724</u>	<u>974,270</u>	<u>806,258</u>	<u>449,336</u>

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of June 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos

	Notes	June 2019	December 2018
Assets			
Non current assets			
Properties, plant and equipment, net	7	35,116,430	34,488,599
Investment properties		91,205	91,382
Goodwill		3,037,188	3,032,267
Other intangible assets		2,352,708	2,315,958
Right of use assets		755,132	-
Investments in associates	9	1,736,892	1,746,487
Investments in a joint ventures		82	82
Deferred tax assets		288,603	249,700
Trade and other accounts receivables		976,612	929,475
Other financial assets	10	2,767,413	2,312,368
Other assets		117,039	112,192
Cash and cash equivalents	11	19,382	22,343
Total non current assets		47,258,686	45,300,853
Current assets			
Inventories		420,443	409,665
Trade and other accounts receivable		3,753,655	3,284,742
Current tax assets		134,753	118,400
Other financial assets	10	1,590,426	1,234,305
Other assets		440,059	453,411
Cash and cash equivalents	11	1,793,472	1,576,039
Total Current assets		8,132,808	7,076,562
Total assets		55,391,494	52,377,415
Debit balances of deferred regulatory accounts		49,543	111,868
Total assets and debit balances of deferred regulatory accounts		55,441,037	52,489,283
Equity			
Capital		67	67
Reserves		2,330,157	2,560,657
Other comprehensive income		3,300,555	2,894,627
Retained earnings		14,574,833	13,392,190
Profit for the period		1,261,794	2,258,293
Other components of equity		(22,349)	(23,323)
Equity attributable to controlling interests		21,445,057	21,082,511
Non controlling interests		947,611	953,707
Total equity		22,392,668	22,036,218

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of June 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos

	Notes	June 2019	December 2018
Liabilities			
Non current liabilities			
Credits and loans	12	18,605,737	16,029,141
Trade and other payables		584,743	502,769
Other financial liabilities		1,077,922	491,571
Employee benefits		914,840	858,515
Income tax payable		33,701	33,701
Deferred tax liabilities		2,743,342	2,556,008
Provisions	13	491,385	474,148
Other liabilities		117,657	119,527
Total non current liabilities		24,569,327	21,065,380
Current liabilities			
Credits and loans	12	3,476,417	4,805,659
Trade and other payables		3,160,752	2,698,694
Other financial liabilities		392,809	347,100
Employee benefits		215,698	251,260
Income tax payable		206,908	91,264
Taxes, contributions and rates payable		194,062	191,281
Provisions	13	644,687	778,219
Other liabilities		172,846	190,648
Total current liabilities		8,464,179	9,354,125
Total liabilities		33,033,506	30,419,505
Deferred tax liabilities related to balances of deferred regulatory accounts		14,863	33,560
Total liabilities and credit balances of deferred regulatory accounts		33,048,369	30,453,065
Total liabilities and equity		55,441,037	52,489,283

The accompanying notes are an integral part of the financial statements

EMPRESAS PUBLICAS DE MEDELLIN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the period from January 1 to June 30, 2019 and 2018

Amounts stated in millions of Colombian pesos

	Notes	2019	2018
Cash flows for operating activities:			
Results of the period		1,357,684	1,052,256
Adjustments to reconcile the net results for the period to the net cash flows used in operating activities:			
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	16 y 17	551,316	488,541
Impairment of property, plant and equipment value, right-of-use assets and intangible assets	16	-	122
Impairment of accounts receivable	17.2	71,869	44,038
Reversal of loss for impairment of accounts receivable	17.2	(44,258)	(35,339)
Result for exchange difference, net	20	(116,492)	34,889
Result for valuation of financial instruments and hedge accounting	19.1 y 19.2	(39,786)	18,054
Provisions, post-employment and long term defined benefit plans	17	63,132	229,388
Government subsidies applied	15	(488)	(1,602)
Deferred income tax	21	144,747	98,502
Current income tax	21	475,424	434,963
Participation in the results of investments in associates and joint business		10,592	(17,967)
Interest income	19.1	(112,748)	(97,218)
Interest expenses	19.2	578,501	447,093
Result for disposal of properties, plant and equipment, right-of-use assets, intangibles and investment properties		(546)	(546)
Dividends from investments	10	(65,453)	(66,854)
Other income and expenses not effective, net		136,509	(54,924)
		3,010,003	2,573,396
Movements in working capital:			
Variation in inventories		(10,227)	(8,638)
Variation in debtors and other accounts receivable		(890,384)	(141,762)
Variation in other assets		73,172	14,172
Variation in creditors and other accounts payable		6,221	(291,178)
Variation in employee benefits		(8,266)	(3,401)
Variation in provisions		(114,857)	(84,029)
Variation in other liabilities		(28,539)	191,754
Interest paid		(631,072)	(531,078)
Income tax paid		(358,525)	(564,471)
Income tax refund		210	-
Net cash flows originated by operating activities		1,047,736	1,154,765
Cash flows for investment activities:			
Acquisition of property, plant and equipment	7	(1,224,013)	(1,633,224)
Disposal of property, plant and equipment	7	3,065	7,767
Acquisition of intangible assets		(101,530)	(27,810)
Disposal of intangible assets		45,131	122
Acquisition of investments in financial instruments	10	(405,877)	(1,859,641)
Disposal of investments in financial instruments		78,819	1,507,286
Government Grants		-	(240)
Interest received		161	3,718
Dividends received from subsidiaries		1,342	3,442
Dividends received from associates and joint business	9	38,483	-
Other dividends received		1,101	4
Other cash flows from investment activities		30,741	83,806
Net cash flows used by investment activities		(1,532,577)	(1,914,770)

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Cash flows for financing activities:			
Obtaining of public credit and treasury	12	4,375,927	2,643,284
Payments of public credit and treasury	12	(3,134,793)	(903,960)
Transaction costs due to issuance of debt instruments	12	(936)	(5,104)
Payments of liabilities for financial leasing		(22,745)	(19,394)
Dividends or surpluses paid	6	(703,446)	(806,457)
Dividends or surplus paid to non-controlling interests	8	(88,048)	(76,716)
Capital subsidies		154	-
Payments of capital of derivatives designated as cash flow hedge		4,257	(170)
Other cash flows from financing activities		4,277	187,815
Net cash flows originated by financial activities		434,647	1,019,298
Net cash and cash equivalents increase (decrease)		(50,194)	259,293
Effects of variations in exchange rates in the cash and cash equivalents		264,666	(9,180)
Cash and cash equivalents at the beginning of period	11	1,598,382	1,191,214
Cash and cash equivalents at the end of the period		1,812,854	1,441,327
Restricted resources	11	168,927	157,101

The accompanying notes are an integral part of the financial statements

Second Quarter 2019 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

For the periods from January 1 to June 30, 2019 and 2018

Amounts stated in millions of Colombian pesos



	Notes	June 2019	June 2018	For the three months ended June 30, 2019	For the three months ended June 30, 2018
Continued operations					
Rendering of services	14	4,081,555	3,810,732	2,051,092	1,931,521
Leases	14	25,491	22,179	12,979	11,459
Other income	15	90,381	112,137	53,301	84,663
Income from ordinary activities		4,197,427	3,945,048	2,117,372	2,027,643
Profit in sale of assets	14	139	817	49	592
Total income		4,197,566	3,945,865	2,117,421	2,028,235
Costs for rendering services	16	(2,201,080)	(2,140,792)	(1,094,487)	(1,094,088)
Administration expenses	17	(379,786)	(520,432)	(202,275)	(366,568)
Impairment loss recognised on trade receivables		(1,941)	2,123	(8,703)	(6,948)
Other expenses	18	(135,069)	(74,370)	(121,554)	(66,159)
Financial income	19.1	182,572	113,978	93,752	47,129
Financial expenses	19.2	(543,546)	(397,354)	(254,000)	(205,434)
Net exchange difference	20	116,188	6,773	43,317	(57,681)
Equity method in subsidiaries	8	388,339	249,932	216,811	184,015
Effect by interest in equity investments		65,445	64,478	3,282	-
Profit before tax		1,688,688	1,250,201	793,564	462,501
Income tax expense		(370,526)	(361,072)	(148,984)	(168,882)
Profit of the period after taxes of continued operations		1,318,162	889,129	644,580	293,619
Profit of the period		1,318,162	889,129	644,580	293,619
Other comprehensive income, net of taxes					
Items that will not be reclassified subsequently to the result of the period:					
New measurements of defined benefit plans		3,647	45	2,800	562
Equity investments measured at fair value through equity		436,931	33,771	213,958	132,875
Income tax related to components that will not be reclassified		-	450	-	1,576
Equity method in subsidiaries	8	30,016	(20,586)	30,142	(20,712)
		470,594	13,680	246,900	114,301
Items that may be reclassified subsequently to the result of the period:					
Cash flow hedging		18,941	(9,647)	7,164	(3,424)
Result recognized of the period		(28,969)	(25,512)	18,586	76,249
Reclassification adjustment		47,910	15,865	(11,422)	(79,673)
Income tax related to the components that can be reclassified		4,013	675	(2,226)	(35,577)
Result recognized of the period		4,013	675	(2,226)	(35,577)
Reclassification adjustment		-	-	122,672	(122,418)
Equity method in subsidiaries	8	8,405	(134,414)	122,672	(122,418)
Result recognized of the period		8,405	(134,414)		
		31,359	(143,386)	127,610	(161,419)
Other comprehensive income, net of taxes		501,953	(129,706)	374,510	(47,118)
Total comprehensive income for the period		1,820,115	759,423	1,019,090	246,501

The accompanying notes are an integral part of the financial statements

Second Quarter 2019 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

As of June 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos



	Notes	June 2019	December 2018
Assets			
Non current assets			
Properties, plant and equipment, net	7	26,006,703	27,040,487
Investment properties		77,829	77,829
Goodwill		260,950	260,950
Other intangible assets		493,262	477,315
Investments in subsidiaries	8	7,102,383	7,290,431
Investments in associates	9	2,434,417	2,434,417
Investments in a joint ventures		99	99
Trade and other accounts receivables		1,962,495	2,012,782
Other financial assets	10	2,727,900	2,221,695
Right of use assets	11	2,094,497	-
Other assets		104,761	100,742
Total non current assets		43,265,296	41,916,747
Current assets			
Inventories		113,239	117,334
Trade and other accounts receivable		1,869,513	1,628,488
Current tax assets		4,193	2,037
Other financial assets	10	1,379,829	990,676
Other assets		135,982	104,483
Cash and cash equivalents	11	1,169,388	835,779
Total Current assets		4,672,144	3,678,797
Total assets		47,937,440	45,595,544
Liabilities and equity			
Equity			
Capital issued		67	67
Reserves		1,704,818	1,961,034
Other comprehensive income		3,373,564	2,917,113
Retained earnings		16,689,265	15,332,345
Profit for the period		1,318,162	2,344,822
Other components of equity		49,944	49,944
Total equity		23,135,820	22,605,325

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

As of June 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos



	Notes	June 2019	December 2018
Liabilities			
Non current liabilities			
Credits and loans	12	14,529,512	12,050,033
Trade and other payables		3,501	4,483
Other financial liabilities		2,443,937	2,054,762
Employee benefits		336,871	305,695
Income tax payable		30,331	30,331
Deferred tax liabilities		2,309,390	2,156,828
Provisions	13	360,298	360,917
Other liabilities		31,955	32,136
Total non current liabilities		20,045,795	16,995,185
Current liabilities			
Credits and loans	12	2,006,773	3,794,580
Trade and other payables		1,630,306	1,017,938
Other financial liabilities		300,575	285,867
Employee benefits		131,775	139,497
Income tax payable		25,697	25,697
Taxes, contributions and rates payable		105,416	108,195
Provisions	13	442,678	489,052
Other liabilities		112,605	134,208
Total current liabilities		4,755,825	5,995,034
Total liabilities		24,801,620	22,990,219
Total liabilities and equity		47,937,440	45,595,544

The accompanying notes are an integral part of the financial statements

Second Quarter 2019 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

INTERIM CONDENSED SEPARATE STATEMENTS OF CASH FLOWS

For the period from January 1 to June 30, 2019 and 2018

Amounts stated in millions of Colombian pesos



	Notes	2019	2018
Cash flows for operating activities:			
Results of the period			
Results of the period		1,318,161	889,129
Adjustments to reconcile the net results for the period to the net cash flows used in operating activities:			
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	16 y 17	285,821	255,044
Impairment of accounts receivable		29,162	-
Impairment of financial instruments		-	22,257
Reversal of loss for impairment of accounts receivable		(27,221)	-
Reversal of loss of impairment of financial instruments		-	(24,610)
Result for exchange difference, net	20	(116,188)	95,904
Result for valuation of investment properties		-	1
Result for valuation of financial instruments and hedge accounting	19.1 y 19.2	(41,417)	352,255
Provisions, post-employment and long term defined benefit plans	17	29,934	179,682
Deferred income tax	21	156,575	104,924
Current income tax	21	213,951	256,147
Participation in the results of investments in subsidiaries	8	(388,339)	(249,932)
Interest income	19.1	(125,046)	-
Interest expenses	19.2	515,846	-
Result for disposal of properties, plant and equipment, right-of-use assets, intangibles and investment properties		(139)	959
Dividends from investments	10	(65,445)	(64,478)
Other income and expenses not effective, net		88,703	30,414
		1,874,358	1,847,696
Movements in working capital:			
Variation in inventories		4,095	4,276
Variation in debtors and other accounts receivable		(492,335)	65,429
Variation in other assets		(35,518)	(276,832)
Variation in creditors and other accounts payable		33,460	(33,893)
Variation in employee benefits		18,664	28,351
Variation in provisions		(57,106)	1,155
Variation in other liabilities		8,550	45,058
		(520,190)	(166,456)
Interest paid		(494,383)	(415,572)
Income tax paid		(216,107)	(268,914)
		643,678	996,754
Net cash flows originated by operating activities			
Cash flows for investment activities:			
Acquisition of subsidiaries or business, net of cash acquired	8	(12,000)	(2,453)
Acquisition of property, plant and equipment	7	(813,404)	(1,062,923)
Disposal of property, plant and equipment	7	139	-
Acquisition of intangible assets		(7,728)	(17,885)
Disposal of intangible assets		32	-
Acquisition of investments in financial instruments	10	(440,674)	(205,608)
Disposal of investments in financial instruments		11,142	(65,774)
Dividends received from subsidiaries, associates and joint business	8	621,428	314,650
Other dividends received		1,098	3,446
Loans to related parties		35,439	(111,187)
Other cash flows from investment activities		6,907	-
		(597,621)	(1,147,734)
Net cash flows used by investment activities			
Cash flows for financing activities:			
Obtaining of public credit and treasury	12	3,019,270	1,651,096
Payments of public credit and treasury	12	(2,314,238)	(121,083)
Transaction costs due to issuance of debt instruments	12	(934)	(5,104)
Payments of liabilities for financial leasing		(3,867)	(19,369)
Dividends or surpluses paid	6	(703,446)	(806,327)
Payments of capital of derivatives designated as cash flow hedge		4,257	-
Other cash flows from financing activities		(37,988)	-
		(36,946)	699,213
Net cash flows originated by financial activities			
Net cash and cash equivalents increase			
		9,111	548,233
Effects of variations in exchange rates in the cash and cash equivalents		324,498	7,474
Cash and cash equivalents at the beginning of period	11	835,779	234,526
		1,169,388	790,233
Cash and cash equivalents at the end of the period			
Restricted resources	11	92,274	93,445

The accompanying notes are an integral part of the financial statements

For more information, contact Investor Relations investorelations@epm.com.co
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